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Summary record of the 45th meeting
Held at Headquarters, New York, on Tuesday, 4 April 2006, at 10 a.m.

Chairman: Mr. Ashe ..... (Antigua and Barbuda)
Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. Saha

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The meeting was called to order at 10.10 a.m.

Agenda item 122: Review of the efficiency of the administrative and financial functioning of the United Nations (*continued*)

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Agenda item 128: Scale of assessments for the apportionment of the expenses of the United Nations (*continued*)

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Investing in the United Nations: for a stronger Organization worldwide (*continued*) (A/60/692 and Corr.1 and A/60/735 and Corr.1)

1. **Mr. Sul** Kyung-hoon (Republic of Korea) said that the Secretary-General's report (A/60/692 and Corr.1), which was the fruit of his nine years at the helm of the United Nations, presented bold proposals for reform which were designed to equip the Secretariat to face the challenges of the twenty-first century. According to the related report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) (A/60/735 and Corr.1), the Secretary-General's proposals could be grouped into three categories: first, proposals that were within the purview of the Secretary-General and therefore did not require specific legislative approval; second, proposals that were within the Secretary-General's prerogative to act but might have financial implications necessitating the involvement of the General Assembly; and third, proposals requiring a policy decision from the General Assembly. His delegation expected the Secretary-General to move forward in implementing those measures that were within his purview as chief administrative officer of the Organization.

2. Since a detailed implementation report on management reform was due to be submitted in May 2006, Member States should, at the current time, focus on providing strategic input. In that connection, the Advisory Committee's report contained a number of useful recommendations on the format and content of the implementation report. With the forward-looking and concerted guidance of the Fifth Committee, the Secretariat would be able to devise sensible, feasible and detailed implementation plans which would provide much-needed clarity on the future shape and functions of the reformed Secretariat.

3. As the Advisory Committee had pointed out, a set of principles to ensure accountability was key to the successful management of the Organization. While his delegation agreed that the Secretary-General should have more flexibility in managing posts and resources, Member States should, in return, be able to hold him more accountable for his actions. To that end, objective mechanisms to assess the performance of the Secretary-General should be established. Furthermore, the concept of accountability within the Secretariat must be defined and the forthcoming report should include proposals for workable methods of enforcing such accountability. His delegation hoped that the informal consultations on the reform proposals would be informative, constructive and apposite and that they would be concluded in a timely manner.

4. **Mr. Hussain** (Pakistan) said that Pakistan, which had been in the vanguard of the United Nations reform process, had consistently stressed that all reform-related decisions should be adopted by consensus. Its support for the proposals contained in the report was based on the understanding that they would not alter the intergovernmental nature of the Organization. Management reform should lead to greater transparency, efficiency and coordination and should enhance accountability and ethical conduct. It should also allow all States to participate equally in setting the strategic direction and programmatic priorities of the Organization and strengthen the role of developing countries. Under no circumstances should it undermine the principle of the sovereign equality of all Member States or the oversight role and authority of the General Assembly.

5. It was his understanding that the proposals in the Secretary-General's report were being presented as a package. Accordingly, he would be grateful for clarification about the implications for the report as a whole of a lack of agreement on individual elements of it. He also wished to know whether the reports that the General Assembly had already requested on various reform-related issues, such as compulsory mobility and the harmonization of contractual arrangements, would

still be prepared by the Secretariat and, if so, whether the discussion of the current report would influence their content.

6. The proposed establishment of a change management office had not been well received in the past and continued to invite questions about the objectives, financing, structure and role of such an office. He would like more detailed information on those elements. While the concept underpinning the Secretary-General's vision was the transformation of the Organization from a Headquarters-based to a field-based institution, the report did not shed sufficient light on that concept, particularly as it related to development activities, and further details should therefore be provided.

7. While he viewed the proposals on career development and training in a positive light, the General Assembly would need additional information about specific resource requirements. He enquired as to the salient features of the career development package and asked whether replacing permanent contracts with open-ended "continuing appointments" would result in the integration of extrabudgetary posts and field staff into the main Secretariat staffing table. What were the implications, for the level and geographical distribution of staff, of integrating Headquarters and field operations into an Organization-wide mobility programme, and how would the issue of high vacancy rates in field missions in developing countries be addressed?

8. The post of Deputy Secretary-General had been established pursuant to General Assembly resolution 52/12 B. However, the role envisaged in the Secretary-General's report far exceeded the responsibilities set out in that resolution. How would the Deputy Secretary-General be held accountable for his or her actions?

9. He also enquired about the implications of regrouping the 25 departments and offices that currently reported directly to the Secretary-General into eight clusters and asked whether such a move would lead to programmatic shifts and the merging of related departments. He wished to know how the proposed regrouping would affect the organizational chart and the budget process and what impact that apparently administrative change would have on the substantive role of senior managers. He wondered what had happened to earlier reforms designed to improve the performance and coordination of senior management. What would the proposed training and development plans for senior managers cost, and how could the selection process for senior managers be made more transparent?

10. In the area of information and communication technologies (ICT), the creation of an Assistant Secretary-General post should be preceded by the design of a coherent policy and strategy that built upon existing infrastructure. In that connection, he asked why recent investments in ICT infrastructure had not yielded the anticipated results and wondered whether it was realistic to expect technology to replace efficiency and motivation.

11. Referring to the proposals on outsourcing, he stressed the importance of maintaining the quality and reliability of the services concerned. He asked how outsourcing would lead to better utilization of United Nations duty stations in developing countries. The implications of outsourcing for staff and for geographical distribution must be elaborated upon and measures must be taken to ensure that staff were consulted.

12. In general, the procurement policy described in the report was satisfactory. However, the procedure for selecting lead agencies required further clarification. He wished to know whether agencies such as the World Food Programme and the United Nations Office for Project Services had accountability mechanisms similar to those applied by the General Assembly and, in that connection, wondered whether it would be more appropriate to entrust the task of procurement to the General Assembly itself. He also asked how the new system would allow for the participation of developing country firms.

13. He was concerned that consolidating the budget process would weaken the role of Member States in setting the programmatic priorities of the Organization and lead to a lack of transparency and accountability. Furthermore, he wondered whether increasing the ceiling of the commitment authority for peacekeeping operations and de-linking it from a specified number of Security Council decisions amounted to an encroachment on the authority of the General Assembly. The inclusion of financial and programme information in the Secretary-General's annual report on the work of the Organization would alter the fundamental nature of the report and would complicate

its consideration and undermine its utility. The current reporting methodology seemed perfectly adequate, since it ensured that different types of information were reviewed by the competent committees of the General Assembly. Lastly, any time limits imposed on the schedule of meetings of the Fifth Committee could only be indicative, since flexibility was essential to enable the Committee to reach consensus on sensitive and important issues such as the capital master plan and the scale of assessments.

14. **Mr. Kovalenko** (Russian Federation) said that many of the management reform proposals contained in the Secretary-General's report required thorough analysis and discussion by the Member States, which would not be able to take balanced and well-informed decisions on them until they received the additional information to be submitted by the Secretary-General in May. The proposals and recommendations on changes to financial and human resources policies, rules and regulations must include a specific rationale for such changes and clear explanations of how they would enhance the productivity and effectiveness of the work of the Secretariat and the Organization at large.

15. His delegation would be considering the proposals put forward in the Secretary-General's current and forthcoming reports from the perspective of promoting the effectiveness of the Organization in accordance with the decisions taken at the 2005 World Summit. It therefore supported the Advisory Committee's recommendations concerning the basic parameters of the report to be submitted in May, including its recommendations on an accountability framework.

16. The Secretary-General's report included many proposals which had previously been submitted for consideration by Member States. Some of them had been voted down by the General Assembly and others were still under consideration. Many of the current proposals, including those which were presented as basic reform measures, were not, strictly speaking, directly related to management reform as such. They included the proposals on increasing the level of the Working Capital Fund, creating a separate fund to cover expenditures arising from exchange rate fluctuations and charging interest on assessed contributions that were in arrears, as well as matters pertaining to interaction with the Secretariat. With respect to such interaction, there must not be a weakening of monitoring mechanisms, as was suggested in the report, but rather a strengthening and improvement of Member States' supervision of the activities of the Secretariat and the effective use of the Organization's resources.

17. Unlike ACABQ, his delegation considered that the Secretary-General's proposal to redefine the role of the Deputy Secretary-General went beyond the scope of the Secretary-General's mandate. The delegation of authority by the Secretary-General must be based above all on the Charter.

18. The proposed outsourcing or relocation of some of the operations of the Secretariat was a complex issue that required serious discussion and could not, as suggested by the Advisory Committee, simply be delegated to the Secretary-General. Decisions as to which Secretariat functions and departments should be subject to outsourcing and relocation, including decisions on the conduct of cost-benefit analyses, must be taken by the Member States. His delegation was somewhat taken aback by the haste with which the Secretariat had proceeded to explore — without consulting Member States, which were the main clients of the language services — possibilities for outsourcing and relocating those services, which were hardly ancillary and which made it possible to implement the principle of multilingualism in the Organization.

19. Concerning new ways of delivering services, his delegation proposed that the Secretariat should seriously consider the possibility of relocating the units involved in logistical and other support services to less costly locations closer to ongoing peacekeeping operations. It should also consider the possibility of relocating other units of the Secretariat in New York closer to their clients and users of their outputs and services, in the light of the current shift in the Organization's activities towards the field and the fact that New York was not the least costly of duty stations.

20. In conclusion, his delegation was surprised to note that, in the current general discussion, delegations had again reverted to issues concerning the procedure for considering the Secretary-General's report and the role of the Committee and plenary meetings of the General Assembly, despite the consensus reached on the format for consideration of the report. His delegation trusted that the Committee would focus on

the substantive consideration of the Secretary-General's proposals and recommendations.

21. **Ms. Udo** (Nigeria) said that the United Nations stood at a crossroads between past, present and future. The proposed reforms would allow Member States to take stock of the past in order to map out the future and to identify the essential elements that had shaped the Organization, which was one of a kind. Only a strong and well-resourced United Nations, in which the voice of every Member State was heard, could discharge its functions in an effective manner. Her delegation therefore supported any reforms designed to achieve that objective.

22. Member States had already adopted a number of measures designed to strengthen the Secretariat and increase accountability, such as the establishment of the Ethics Office and the introduction of a whistleblower protection policy. To ensure the success of the current proposals, the staff of the United Nations — its most valuable asset — must be fully involved in the reform process. In particular, every effort must be made to ensure that all staff understood the justification for and intended objectives of any proposals affecting them. Constructive and ongoing dialogue with all stakeholders would be crucial.

23. Over the years, Nigeria had demonstrated its support for the Organization through the contribution of financial and human resources. It remained committed to supporting any initiatives agreed upon by Member States with a view to strengthening the Organization. In that connection, she endorsed the views expressed by the representative of Norway at the Committee's preceding meeting, and stressed that the need to preserve the unique intergovernmental nature of the Organization must inform every decision taken by the General Assembly. Those decisions, in turn, should build on previous reform efforts. She hoped that the Secretariat would facilitate the Committee's consideration of the reports at issue by providing detailed answers to the questions posed and by preparing a detailed implementation report.

24. **Mr. Elnaggar** (Egypt) endorsed the views expressed by a number of previous speakers, including the representatives of Nigeria, Norway and Pakistan. He expressed the hope that the Committee's consideration of the reports in question would be completed expeditiously.

Organization of work

25. **The Chairman** drew attention to the Committee's tentative programme of work for the forthcoming two weeks.

26. **Ms. Lock** (South Africa), speaking on behalf of the Group of 77 and China, said that, while she was grateful to the Chairman and the Bureau for having prepared the tentative programme of work, she hoped that it would be further refined to reflect the timing of the consideration of specific draft resolutions. As to the discussion of the reports on management reform, she expressed concern that, to date, gaps remained in the provision of conference services. She trusted that the Secretariat would make every effort to secure such services so that the Committee could conclude its work expeditiously.

27. While some delegations had expressed the opinion that the Secretary-General could proceed with some proposals that were within his purview as chief administrative officer of the Organization, her delegation did not fully understand all the proposals contained in the report and would like further clarification from the Secretariat. Consequently, steps should be taken to ensure that relevant Secretariat officials attended informal consultations in order to respond to the questions raised by Member States.

28. In closing, she said that the Group of 77 and China was prepared to adopt the tentative programme of work on the understanding that it would be adjusted as necessary.

29. **The Chairman** said he took it that the Committee wished to adopt the tentative programme of work, on the understanding that it would be amended as necessary.

30. *It was so decided.*

The meeting rose at 10.50 a.m.